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Thank you for joining today's webinar. We will begin promptly at 11:00 a.m. Central.

Hospital Price Transparency: What Hospitals Need to Know – Part 2

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Your *First STOP* for *Rural Health INFORMATION*



Hospital Price Transparency: What Hospitals Need to Know – Part 2

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Housekeeping

- Slides are available at <https://www.ruralhealthinfo.org/webinars/hospital-price-transparency-part-2>
- Technical difficulties please visit the Zoom Help Center at support.zoom.us

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If you have questions...

The image shows a Zoom meeting interface. On the left is a slide from RHIhub (Rural Health Information Hub) with the website ruralhealthinfo.org. The slide features the text "Your *First STOP* for *Rural Health INFORMATION*" and a map of the United States filled with rural health-related images. At the bottom of the slide, a red arrow points to the text "Examining Rural Cancer Prevention and Control Efforts from the National Advisory Committee on Rural Health and Human Services". On the right is a "Question and Answer" window with a "Welcome" message and a text input field labeled "Type your question here..." with a red arrow pointing to it.

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Featured Speaker



Carmen Irwin, Health Insurance Specialist, Centers for Medicare and Medicaid Services

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Hospital Price Transparency: What Hospitals Need to Know.

October 15, 2024

Presenter:
Carmen Irwin

HPT Compliance Team
Centers for Medicare & Medicaid Services

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Disclaimer

This presentation was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

This presentation was prepared as a service to the public and is not intended to grant rights or impose obligations. This presentation may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

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Hospital Price Transparency Regulation Introduction

- The Hospital Price Transparency regulation implements Section 2718(e) of the [Public Health Service Act](#) and requires each hospital operating within the United States to establish (and update) and make public a yearly list of the hospital's standard charges for items and services provided by the hospital, including for diagnosis-related groups established under section 1886(d)(4) of the Social Security Act.
- Starting on January 1, 2021, each hospital operating in the United States was required to make this information available in two ways:

As a comprehensive machine-readable file (MRF) with all standard charges for all items and services

AND

As a display of standard charges for 300 shoppable services in a consumer-friendly format

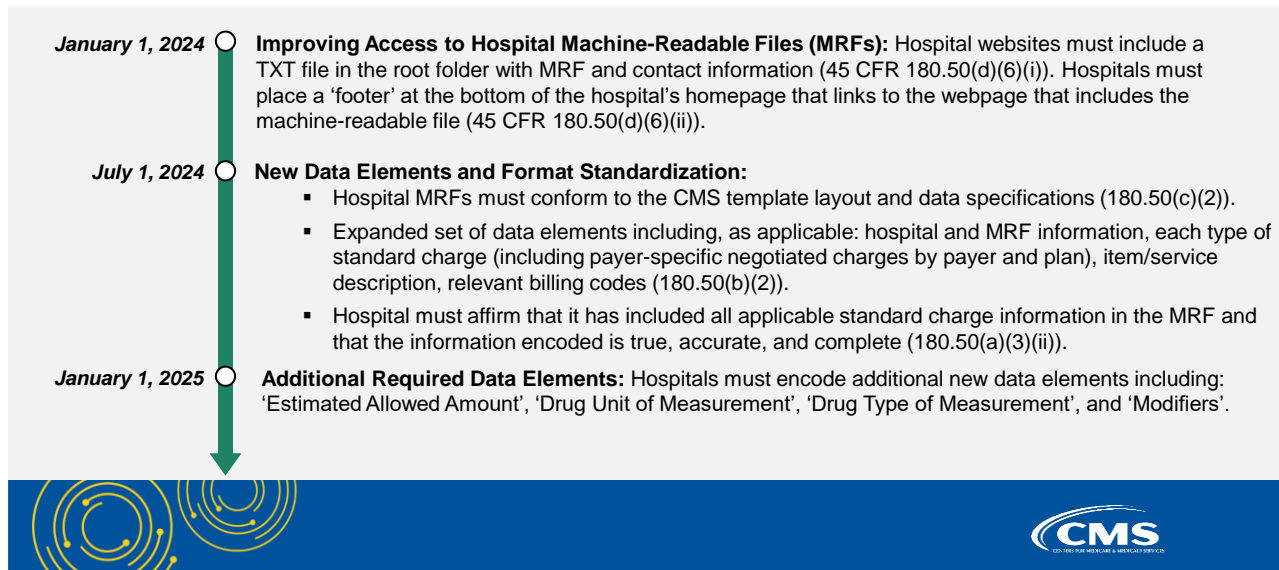
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CY 2024 OPPTS/ASC Final Rule Regulatory Updates

CMS finalized new [Hospital Price Transparency](#) requirements in the [CY 2024 Hospital Outpatient Prospective Payment System and Ambulatory Surgical Center Payment System Final Rule](#). These new requirements include:



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Improving Automated Access to MRFs

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Improving Automated Access

- As of January 1, 2024, hospitals must ensure that the public website it selects to host its machine-readable file (MRF) establishes and maintains, in the form and manner specified by CMS:
 - A .txt file in the root folder that includes:
 - The hospital location name that corresponds to the MRF
 - The source page URL that hosts the MRF
 - A direct link to the MRF (the MRF URL)
 - Hospital point of contact information
 - A link in the footer on its website, including but not limited to the homepage, that is labeled “Price Transparency” and links directly to the publicly available webpage that hosts the link to the MRF.
- TXT file instructions and generator tool can be found here:
<https://cmsgov.github.io/hpt-tool/txt-generator/>

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CMS Template Technical Requirements

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New Requirements to Use a CMS Template Layout and Encode Hospital Standard Charge Information

- As of July 1, 2024, hospitals' MRF must conform to a CMS template layout, data specifications, and data dictionary.
- CMS has made the CMS template available in three non-proprietary formats: CSV "tall", CSV "wide", and JSON.
- CMS has created a GitHub repository to house the required CMS templates, and provides the data dictionary, or technical instruction, on how hospitals must encode standard charge information into machine-readable files.

The CMS Hospital Price Transparency - Data Dictionary GitHub repository is available here <https://github.com/CMSgov/hospital-price-transparency>.

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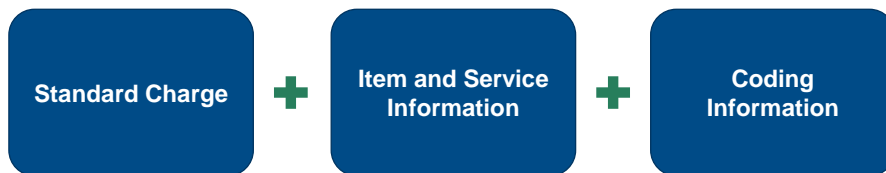
CMS Template: Data Elements

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Data Elements Create Context for Hospital Standard Charges



'Data elements' are information or categories of information that you will use to contextualize the standard charges your hospital has established.

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Data Element Overview

Hospitals must adopt a CMS template layout and encode data elements according to the technical specifications described in the data dictionary. The data elements are organized into five groups:

MRF Information	Standard Charges	Item & Service Information
MRF Date	Gross Charge	General Description
CMS Template Version	Discounted Cash Price	Setting
Affirmation Statement	Payer Name	<i>Drug Unit of Measurement*</i>
	Plan Name	<i>Drug Type of Measurement*</i>
	Standard Charge Method	
	Payer-Specific Negotiated Charge - Dollar Amount	
	Payer-Specific Negotiated Charge - Percentage	
	Payer-Specific Negotiated Charge - Algorithm	
	<i>Estimated Allowed Amount*</i>	
	Additional Generic Notes	
	Additional Payer-Specific Notes	
	De-identified Minimum Negotiated Charge	
	De-identified Maximum Negotiated Charge	
Hospital Information		Coding Information
Hospital Name		Billing/Accounting Code
Hospital Location(s)		Code Type
Hospital Address(es)		<i>Modifiers*</i>
Hospital Licensure Information		

*- These data elements are not required to be encoded in hospital MRFs until January 1, 2025.

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Three Ways to Display Payer-specific Standard Charges

'Payer-specific Negotiated Charge' Data Elements:	Description
Dollar Amount	Payer-specific negotiated charge (expressed as a dollar amount) that a hospital has negotiated with a third-party payer for a corresponding item or service.
Percentage	Payer-specific negotiated charge (expressed as a percentage) that a hospital has negotiated with a third-party payer for a corresponding item or service. This data element will contain the numeric representation of the percentage not as a decimal (70.5% is to be entered as "70.5" and not ".705").
Algorithm	Payer-specific negotiated charge (expressed as an algorithm) that a hospital has negotiated with a third-party payer for the corresponding item or service.

Display a payer-specific negotiated charge as a **dollar amount** whenever possible. If the payer-specific negotiated charge results in a variable dollar amount for members of a payer/plan combination, then display the payer-specific negotiated charge as a percentage or algorithm and calculate the 'Estimated Allowed Amount' in dollars.

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Introduction to CMS Templates and Data Dictionary Technical Instructions

CMS Hospital Price Transparency – Data Dictionary GitHub Repository

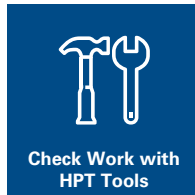
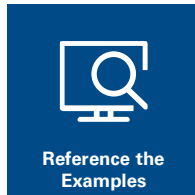
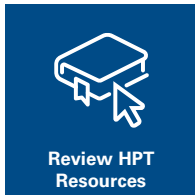
<https://github.com/CMSgov/hospital-price-transparency>

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Building Your MRF



<https://github.com/CMSgov/hospital-price-transparency>

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HPT Compliance Overview



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Compliance Assessment

- During a comprehensive compliance review, CMS assesses whether the hospital's disclosure of standard charges meets the requirements specified at 45 CFR Part 180
- Specifically, CMS assesses whether the hospital has displayed standard charges in a machine-readable file in accordance with the criteria established at 45 CFR §180.50 and shoppable services in a consumer-friendly manner in accordance with the criteria established at 45 CFR §180.60
- Machine Readable Files and Shoppable Services/Price Estimator Tools are evaluated based on compliance with the regulatory requirements including, for example, the contents of the file, the file's accessibility, and date of last update.

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Compliance Enforcement

- After an initial review, if CMS determines a hospital's files are not in compliance with the final rule, the following actions typically occur.
 1. CMS issues a **Warning Notice** indicating the violations*. The warning notice must be acknowledged by the hospital within **5 days** of receipt.
 2. If CMS determines that the hospital resolved the violations within 90 days after receiving the Warning Notice, CMS will issue a closure notice to the hospital. If, after 90 days, CMS determines the hospital has not resolved the violations, the hospital will receive a **Corrective Action Plan (CAP)** Request letter.

* *Though the compliance process typically begins with a **Warning Notice**, hospitals that have not made a good faith attempt to satisfy the requirements (i.e., they have not posted any machine-readable file or shoppable services list/price estimator tool) will not receive a warning letter and will go straight to the **CAP phase**.*

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Compliance Enforcement (cont.)

- A Corrective Action Plan (CAP) is a document that outlines the hospital's violations, the processes/corrective actions the hospital will take to address each deficiency, and the timeframe by which the violations will be addressed.
- When a hospital receives a Request for Corrective Action Plan for being out of compliance with the hospital price transparency regulations, hospitals must submit a CAP within 45 days of the date of the request. The hospital must be in full compliance within 90 days from the date the Request for Corrective Action Plan was issued. In addition, the Request for Corrective Action Plan notice must be acknowledged by the hospital within **5 days** of receipt.
- The CAP must be signed and dated by the Chief Executive Officer/President. CAPs should be submitted to the HPT Compliance Mailbox (HPTCompliance@cms.hhs.gov). CMS has made available a voluntary sample [CAP template](#) for hospitals to use.
- Once the timeframe outlined in the CAP has passed, CMS will perform a review to determine if the violations have been addressed.

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Compliance Enforcement – Civil Monetary Penalties

- If CMS determines that the violations are not resolved in accordance with the requirements of the CAP or a hospital is not responsive to CMS actions to address non-compliance *, the hospital may be subject to **Civil Monetary Penalties (CMPs)**
 - The maximum daily CMP amount for hospitals with a bed count of 30 or fewer is \$300/day. For hospitals with at least 31 and up to 550 beds, the maximum CMP is \$10/bed/day. For hospitals with greater than 550 beds, the maximum daily CMP amount is \$5,500. Under this approach, for a full calendar year of noncompliance, the minimum total penalty amount would be \$109,500 per hospital, and the maximum total penalty amount would be \$2,007,500 per hospital. Refer to CFR 180.90(c)(2).
 - Once CMS issues a CMP, CMS will post the Notice of Imposition of the CMP on the CMS website.
- A hospital has 30 calendar days from the issuance of the CMP to appeal the decision.

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CY 2024 OPPS/ASC HPT Compliance Changes

- CMS finalized several additions and modifications to its enforcement provisions at 45 CFR 180.70.
 - CMS may require submission of certification by an authorized hospital official as to the accuracy and completeness of the data in the machine-readable file and submission of additional documentation as may be necessary to determine hospital compliance.
 - Require hospitals to submit an acknowledgment of receipt of the warning notice in the form and manner and by the deadline specified in the notice of violation issued by CMS to the hospital.
 - In the event CMS takes action to address hospital noncompliance and the hospital is determined by CMS to be part of a health system, CMS may notify health system leadership of the action and may work with health system leadership to address similar deficiencies for hospitals across the health system.
 - CMS will publicize on the CMS website information related to 1) CMS's assessment of a hospital's compliance; 2) Any compliance action taken against a hospital, the status of such compliance action, and the outcome of such compliance action; and (3) Notifications sent to health system leadership.

<https://data.cms.gov/provider-characteristics/hospitals-and-other-facilities/hospital-price-transparency-enforcement-activities-and-outcomes>

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HPT Resources



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Visit the [CMS Hospital Price Transparency – Data Dictionary GitHub Repository](#) to access the CMS templates, technical specifications, and get technical support.

Visit the [HPT Website Resources Page](#) for more information, including a recording of this presentation.

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Contact Us



General Questions?
PriceTransparencyHospitalCharges@cms.hhs.gov

Compliance Questions?
HPTCompliance@cms.hhs.gov

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CMS HPT National Webinar

CMS will host a webinar on October 21, 2024, from 1:00-2:30 pm EST where we will review how to encode into the MRF the data elements required by January 2025, as well as review tips for ensuring MRFs conform to the form and manner requirements that went into effect July 1, 2024.

https://cms.zoomgov.com/webinar/register/WN_LqZfybX7RAePe8DAPEyx3w#/registration



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Questions?

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Thank you!

- Contact us at ruralhealthinfo.org with any questions
- Please complete webinar survey
- Recording and transcript will be available on RHIhub website